



Brownfields Cleanup Revolving Loan Fund Pilot

City of Brockton, MA

Outreach and Special Projects Staff (5101)

Quick Reference Fact Sheet

EPA's Brownfields Economic Redevelopment Initiative is designed to empower states, communities, and other stakeholders in economic redevelopment to work together in a timely manner to prevent, assess, safely clean up, and sustainably reuse brownfields. A brownfield is a site, or portion thereof, that has actual or perceived contamination and an active potential for redevelopment or reuse. EPA is funding: assessment demonstration pilot programs (each funded up to \$200,000 over two years), to assess brownfields sites and to test cleanup and redevelopment models; job training pilot programs (each funded up to \$200,000 over two years), to provide training for residents of communities affected by brownfields to facilitate cleanup of brownfields sites and prepare trainees for future employment in the environmental field; and, cleanup revolving loan fund programs (each funded up to \$500,000 over five years) to capitalize loan funds to make loans for the environmental cleanup of brownfields. These pilot programs are intended to provide EPA, states, tribes, municipalities, and communities with useful information and strategies as they continue to seek new methods to promote a unified approach to site assessment, environmental cleanup, and redevelopment.

BACKGROUND

Brockton, a small city in Massachusetts, is trying to rebound from the loss of its industrial base and a pattern of disinvestment. The City has been designated an Economic Target Area under the Commonwealth's Economic Development Incentive Program. The Brockton BCRLF will focus on sites within the Economic Corridor, a north-south tract that runs through the City's center and contains most of its industrially-zoned land. Brownfields comprise about one-third of the area in the Corridor. The Corridor has over 100 old industrial mill buildings with 30 percent to 35 percent of the space vacant and 60 percent to 70 percent contaminated. Since most industrially-zoned land in Brockton is developed, the Economic Corridor is the City's last major resource for industrial growth. Brockton is a Brownfields Assessment Pilot.

BCRLF OBJECTIVES

The City of Brockton's brownfields program aims to identify and prioritize brownfields sites in the Economic Corridor, perform site assessments, identify strategic ways to reuse the sites, remediate the sites in a consistent manner with reuse plans, perform infrastructure improvements, develop the sites, and explore quality life improvements such as bicycle

PILOT SNAPSHOT



*City of Brockton,
Massachusetts*

Date of Announcement:
May 25, 1999

Amount: \$500,000

BCRLF Target Area:
Economic Corridor, a north-south tract running through the center of Brockton that contains most of the City's industrially-zoned land

Contacts:

City Planner
(509) 580-7113

Region 1 Brownfields
Coordinator
(617) 918-1291

Visit the EPA Region 1 Brownfields web site at:
www.epa.gov/region01/remed/brnfl/

For further information, including specific Pilot contacts, additional Pilot information, brownfields news and events, and publications and links, visit the EPA Brownfields web site at:
<http://www.epa.gov/brownfields/>

paths. The BCRLF will support these objectives by offering a financing tool specifically targeted at cleanup efforts. Four types of borrowers are anticipated: Brockton businesses (mostly industrial or commercial) seeking to expand or relocate; businesses from outside the City (mostly industrial or commercial) seeking to establish operations in Brockton; real-estate developers; and the City or other City agencies seeking to make sites attractive to prospective purchasers.

Brownfields Tax Incentive Program for encouraging private investment, and pursue additional funding sources.

Use of BCRLF Pilot funds must be in accordance with CERCLA, and all CERCLA restrictions on use of funding also apply to BCRLF funds.

FUND STRUCTURE AND OPERATIONS

The City will serve as the lead agency and through a memorandum of understanding with the Massachusetts Department of Environmental Protection the City will obtain assistance in carrying out its site management responsibilities. The City is exploring two alternatives for fund manager. One option is to solicit competitive bids from interested non-profits and local banks. Alternatively, the City may enter into an intergovernmental agreement with the SouthEastern Economic Development Corporation (SEED), a public entity established to package loans under the Small Business Administration's 504 program. The City will contribute \$50,000 to the BCRLF for loans. Brockton has established a limit of \$100,000 per loan and anticipates making about five loans in the initial round of lending. Loan terms will be established on a case-by-case basis by the fund manager.

LEVERAGING

The City will contribute \$50,000 to the BCRLF for loans. Through Massachusetts' brownfields legislation that will provide \$30 million in assistance to municipalities, there is potential for additional loan funds. In addition, the Economic Corridor falls within six Economic Opportunity areas, permitting the City to offer property tax incentives to companies that locate or expand in the Corridor. This program also generates an increase in the state tax credit for the same companies and triggers priority consideration from state financing programs. The City also has obtained \$250,000 from the Massachusetts DHCD Demolition of Abandoned Buildings Program for infrastructure improvements. Finally, the City plans to continue to offer tax incentives to attract developers, explore the potential effectiveness of the six census tracts in the City eligible for the Federal